SECURIS INSURANCE POOL, INC.
Minutes of the Meeting of the Board of Directors
February 23, 2026

A meeting of the board of directors of Securis Insurance Pool, Inc., was held on February 23, 2026.

Members present:	Norman "Brad" Bradley: Northwest Fire District Josh Tope: Pinewood Fire District Brian Moore: Daisy Mountain Fire District Danny Johnson: Verde Valley Fire District Lee Barnes: Central Arizona Fire and Medical Authority Ed Mezulis: Sedona Fire District Tom Brandhuber: Golder Ranch Fire District
Staff present:	Roshell Lee, RPA Catie Bassett, RPA Julie Paine, RPA Gabi Beatrice, RPA Janet Ramsey, RPA Anca Tomoiaga, RPA Jade Quinn, RPA Kyla Ferry, RPA Victoria Cosner, RPA Frankie D'Ambrosio, RPA (remote) David Dodenhoff, RPA (remote) Jennifer MacLennan, Gust Rosenfeld

A. Opening of the Meeting

1. Call to order

   Brad Bradley called the meeting to order at 11:02 a.m.

2. Welcome visitors

   Tom Palmer: Claremont Capital Management
   Patrick Kohnen: Claremont Capital Management
   Russ Sutter: Willis Towers Watson

B. General Business

1. A motion was made to approve the agenda for February 23, 2026.

Brad Bradley, moved
Danny Johnson, seconded
Motion passed unanimously

2. A motion was made to approve the minutes of the November 12, 2025 meeting of the board.

   Brad Bradley, moved
   Danny Johnson, seconded
   Motion passed unanimously

3. Financial reports

   Anca Tomoiaga presented a summary of Securis's December 31, 2025 financials via the financial dashboard. The dashboard summarized the pool's financial performance, including contributions and capitalization, loss expenses, and paid and incurred amounts compared to budget.

   Ms. Tomoiaga then discussed the preliminary financial statements as of December 31, 2025, pending final audit review. Total assets were $40,684,560. The reserve for reported losses and loss expense was $10,819,843. Claims incurred but not reported (IBNR) increased to $15,962,566. Total liabilities were $29,119,989. Net position as of December 31, 2025 was $11,564,571.

   Next, Tom Palmer and Patrick Kohnen from Claremont Capital Management provided an update on the investment market.

   The financial report concluded with a request from the board for an update on the program's financial performance in late March or early April.

4. Claims report

   Catie Bassett and Julie Paine explained that the claims reports included in the board materials reflected 2025/2026 claims data through December 31, 2025. They noted that the reports were provided for reference and that they would highlight a few key takeaways.

   They then presented key observations, including that the claims team has recently received a small number of claims that are not yet fully developed but have the potential to become high-dollar exposures.

In closing, the board emphasized the importance of receiving an updated report later in the spring.

5. Management report

The following items were discussed in the management report:

- Government relations update
- ICA renewal
- Renewal and marketing season
- Board of Directors Manual
- Volunteer payroll statute
- Loss control safety committee
- Future meeting schedule

C. NEW BUSINESS

1. Discussion of board member tier nominations

Roshell Lee reminded the board that, in accordance with the Securis bylaws, each director serves a three-year term. Tier 1 directors with terms expiring on July 1, 2026 include Danny Johnson, Tom Brandhuber, and Brian Moore.

Ms. Lee then reviewed the current nomination and election process, noting that members are given the opportunity to submit nominations. No later than 60 days prior to the annual meeting, staff distributes the slate of nominees—including directors with expiring terms and any additional member nominees—to the membership for the election of Tier 1 directors.

The election results will be presented and reviewed at the annual member meeting on June 10, 2026.

2. Discussion and approval of authority matrix

Roshell Lee explained that authority levels of individuals working on behalf of Securis (for check-writing, for example) should be reviewed annually by the board of directors. She reviewed proposed changes for the board to consider.

A motion was made to approve of the authority matrix as presented.

Brad Bradley, moved
Josh Tope, seconded
Motion passed unanimously

3. Discussion of five-year pro forma

During the meeting, staff presented a five-year pro forma template for the board's review and discussion. The pro forma allows for a range of financial assumptions, with the goal of helping the board better understand the long-term impact of rate and program changes.

4. Discussion and approval of Budget Rev—0 and 2026/2027 plan rates

Anca Tomoiaga explained that the board is responsible for approving the annual operating budget and plan rates for the upcoming fiscal year. She provided an overview of the process, approach, and key findings, and then presented the actuarial rates for the 2026/2027 program year.

Ms. Tomoiaga also provided an overview of key budget provisions. Assumptions incorporated into the budget include the following:

- Estimated payroll for 2026/2027 is calculated using the 2025/2026 budgeted payroll and an upward adjustment of approximately 2%. There is no data available yet for the total 2025/2026 actual payroll.
- Member contributions for standard and presumptive cancer risks will remain flat, prior to loss fund adjustments and payroll estimates.
- Loss funding will remain on an expected, undiscounted basis, in accordance with the actuary's recommendation.
- Self-insured retention remains at $2 million for non-cancer claims and $3 million for presumptive cancer.
- Administrator fees will remain at 11% of total contributions.
- The budget assumes no growth in pool membership.

Finally, the board discussed the pool's loss-sensitive rating structure and approved a base renewal rate of 0% (no increase or decrease). This rate will be adjusted based on individual member loss experience, with modifications of up to +/-7%. The adjustment is capped at 7% to help mitigate the impact on members with significant losses and preserve the integrity of the pooling model.

A motion was made to approve the Budget Rev—0 and 2026/2027 plan rates.

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Brad Bradley, moved
Ed Mezulis, seconded
Motion passed unanimously

D. Adjournment

Brad Bradley adjourned the meeting at 1:13 p.m.

Received and approved by Brad Bradley
Board President
Securis Insurance Pool, Inc.